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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 23 of 2016

Notice of Inquiry into the Transaction involving Hapag-Lloyd Aktiengesellschaft and United Arab Shipping Company (S.A.G)

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (the “**Regulations**”) that the COMESA Competition Commission (the “**Commission**”), after receiving a notification in terms of Article 24 of the Regulations regarding the merger between Hapag-Lloyd Aktiengesellschaft (“**HLAG**”) and United Arab Shipping Company (S.A.G) (“**UASC**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The Parties have submitted that the acquirer, **HLAG**, is a stock company governed by the laws of Germany. The Parties have submitted that HLAG is a parent company of a group of companies (the “**HL Group**”) that are active in the shipping business as an international container liner shipping company, offering global transport services for containerized cargo under the Hapag-Lloyd brand through container ships. HLAG also offers special cargo services such as transporting break-bulk and out-or-gauge cargo on its container ships. **HLAG** has operations in the following COMESA countries: Egypt, Kenya, Libya, Mauritius, Rwanda, Swaziland, Sudan, and Uganda.

The Parties have submitted that the target, **UASC**, is a limited liability company incorporated in Kuwait. UASC offers global containerized cargo transport services through container ships. **UASC** also offers special cargo services such as transporting break-bulk and out-of-gauge cargo on its container ships. **UASC** has operations in the following COMESA countries: Djibouti, Egypt, Libya, and Sudan.

The Parties have submitted that the Proposed Transaction consists of the acquisition of 100% shares in and the sole control of **UASC** by **HLAG**.

The Commission will, in accordance with the provisions of the Regulations, determine among other things whether or not the merger is likely to substantially prevent or lessen competition within the Common Market. In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and customers of the merging parties to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: wmwemba@comesa.int. All written representations should be sent to the Commission not later than **16th September 2016**.

If you wish to seek further details and/or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Mr. Willard Mwemba, Manager Mergers and Acquisitions** on Tel: +265 (0) 1 772466 or E-mail wmwemba@comesa.int

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.